

FINAL REPORT
ZELS WORKSHOP ON POLICY-MAKING
OHRID, MACEDONIA
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Prepared by:

Robert Maffin
Consultant,
PADCO Inc.
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Background:

The workshop was originally to have been held in June, 2001. The delay in delivery, while caused by traumatic circumstances in Macedonia, resulted in a far more productive workshop, in my view. There are several very positive reasons why the workshop was improved by the delay.

ZELS leadership gained experience and confidence in the intervening period. Concrete results had been achieved. The members gained greater respect for their association.

The lapsed period saw great pressures placed on local officials and governments, pressured that tempered judgment and action. Local government authority and responsibility became a linchpin for stability and change in Macedonia. Hence ZELS, as the recognized representative of local government was moved to center stage. The leadership responded; ZELS delivered quick responses and proposed sound solutions. ZELS actions became recognized; its judgment respected and sought after. The members saw results.

When the workshop convened, the participants, all leaders of ZELS, had already been in seminars and workshops for almost a week. They were tired, but not drained of ideas and energy. They had been away from their homes and local governments too long. Nonetheless, every participant actively participated, brought fresh ideas and suggestions to the table. There was no sign of exhaustion until, at the very end, when the work was completed, one of the mayors noted the long, long week they had just spent away from their day-to-day duties and families. Only when they, as a group, had resolved a plan and course of action, did they quit quickly and went home.

If ZELS and LGRP together pursue the plans agreed upon and the actions proposed, ZELS will greatly strengthen itself and enlarge its influence on governance in Macedonia and equally enlarge the capacity and competence of local government through its services to the members.

Workshop Structure:

Three factors lead to changes in the workshop structure. First, it was not possible to begin the workshop on the evening of arrival. Most delegates could not get there in time, so it was decided to modify the beginning to one-half hour earlier and compress into one introductory session an overview of a public interest association policy-making process. Second, it was decided to orient the workshop sessions around current issues facing the association and local government:

- Implement the new Law on Local Self-Government
- Develop a position on the principles and a action strategy for a new law on local government finances following the ZELS' public hearings on the law.
- Execute a Cooperation Agreement with the Government on working relations on local government issues
- ZELS establishes a structure for policy-making
- Prepare for the Donor's Conference in Brussels.

[Even as the workshop progressed, drafting and executing the Cooperation Agreement with Government and preparations for the Donors' Conference were issues added and the development of a an overall "Policy on Local Self-Government" for ZELS was deferred as a priority]. Third, the workshop site induced close, intense activity among the participants. Normally, the tightness of the meeting room would have been a handicap, but in this instance it became an asset as it stimulated the exchange of ideas within and among the working groups. The end result was open exchange and fruitful workshop output.

One result of the intense participant engagement was the "push" to develop concrete plans and action steps. This push was most evident during the discussion on establishing a structure for ZELS policy-making. Originally, the workshop was planned to engage the participants in an extended exercise to identify and define a structure for ZELS. To be sure the participants did identify several steps ZELS might take to organize a process for identifying policy issues, setting priorities among them, taking a position and building a case and support for its position, advocating and lobbying it through the legislative process. Rather than work through the more extended process, the group was presented a possible structure to consider. The group then examined its thinking in the light of the proposed structure as the proposal tended to provide a manageable framework into which its ideas could be reconstructed. This one example epitomizes the positive dynamics of the workshop.

The workshop setting fostered a dynamic that produced very concrete proposals for ZELS to pursue. It produced clear implications for LGRP support to the association. Most importantly the workshop gave the participants-ZELS leadership-an agreed upon plan and action steps for its realization. For the organizers, the workshop exceeded expected results, as the annexes specifically and the follow-up recommendations, generally, verify.

Workshop Outputs:

Themes: As each working group made its report, several trends, or themes, emerged. These themes seemed to synthesize the many conclusions presented by the working groups. The “identification” of themes is a way of organizing observations and experience into manageable segments, or a way to more easily calculate the actions to be taken. When the trends, or themes, were presented to the participants, there was apparent agreement from the participants. It is hoped that the organizers did not over-read the participant’s reaction.

The reader is referred to Annex #3, “Workshop Results Summary”. This annex is a record of the work done by each working group as it deliberated the scope of its assignment. The “themes” that emerged, in the view of the author as expressed to the participants, flow from the reports each group made and the discussions that followed.

As the first working groups made their reports, several themes emerged:

- Local governments and their officials most often are “problem-solvers” who must deal with the practical conditions faced by their citizens-mediating solutions on neighborhood issues, dealing with service emergencies, etc.
- New laws must be monitored-what is working, what is not, why-and reported on; in turn laws and bylaws require constant adjustment and elaboration. ZELS structure must be able to monitor, report, reflect and recommend improvements drawn from documented experience.
- The ZELS policy-making structure should, more or less, parallel the functions of local government, clearly relate to the structure of central government and the commissions/committees of Parliament, in order to facilitate cooperation on the functional issues of governance-central-local; executive-legislative.
- ZELS and its members must identify the linkages between effective local government and the interests of citizens and businesses in order to build coalitions for reform and decentralization. ZELS must take a leadership role in bringing local governments, citizens and businesses together in support of decentralization.
- Local governments have a key role to play in carrying forward the processes of accession to the EU and participation in EU institutions. Local governments, mostly through ZELS, must become engaged in defining and articulating the significance of EU accession to the citizens of Macedonia.

Out of the second set of group reports and attendant discussions came additional themes:

- When discussing the execution of a Cooperation Agreement between the Government and ZELS, the Agreement is not to be construed as an agreement with a specific ‘government’ but with the Government of Macedonia, which is continuous.
- An established ZELS structure for policy-making is essential for effective action. The difference between ‘knowing’ what should be done and getting the job ‘done’ is organization and that what ZELS must have is a structure for deliberation, analysis and action.
- ZELS, to be an effective player in local government policy, must have a “lobbying” capacity that relies on the membership for delivery. ZELS must develop a sophisticated membership ‘lobbying’ network that links it to allies, to government ministries and to the Parliament.
- The policy-making process depends on picking priorities. Always there are more issues and needs than there are resources-institutional, human and financial-to successfully address them. ZELS policy agenda must be manageable, that is ZELS must not over promise itself and its members; it must be able to ‘digest’(or meet) its goals, or suffer from ‘indigestion’ -unmet promises.

The themes that emerged reflect a quite practical view of what can and should be done. The discussions revealed that the leadership has a clear understanding of the major issues currently facing local government; there are many, many. The discussions also revealed that the leadership recognizes hard decisions must be made or too much may be expected, more than can be accomplished.

Action Plans: The emphasis of this workshop was on action. ZELS had become an actor in national policy for local government. There are urgent, outstanding areas where ZELS must take action. Practically, this workshop converted an exercise in organizational development into an opportunity to create a ZELS plan of action on policy issues. The themes noted above are rooted in a practical assessment of the guides for action. The balance of the workshop became an effort to prescribe a plan of action for ZELS. Even though the workshop participants was the leadership, the proposals that emerged must be dutifully considered by the machinery of ZELS, outside the context of a workshop. Thus the action plans proposed in the workshop needed the sober consideration of the leadership within the established structure of the Standing Committee.

On the four priority topics, the working groups developed very specific plans for action by ZELS.

- Concrete steps to encourage implementation of the Law on Local Self-Government.
- Steps to be taken after the series of public hearings on the Finance Law.

- Agreement with the Government of the Republic of Macedonia (specific activities to reach/sign an agreement with the Government).
- Preparation for the Donor's Conference in Brussels.

The groups identified specific steps to be taken to realize each of these priority areas. The detailed steps can be found in Annex #3 of this report.

The workshop concluded with extended remarks by President Angelov. The President outlined some specific actions the Standing Committee should take to follow-up on the Workshop recommendations and those of the Standing Committee meeting of the night before.

1. Hold a strategy session to outline the immediate steps to be taken to make an input into the Donor's Conference in Brussels: ZELS develop an action program to:
 - a. Define the initiatives it will take to encourage the immediate start of implementation of the new Law on Local Self-Government, including actions local governments can take in the short term without further actions by the Government
 - b. Outline its strategy for moving forward a law on Local Government Finance based on the outputs of the public hearings and its own statement of principles on which the new law should be based.
 - c. Prepare a clear, concise statement on its near-term program the ZELS leadership will present to foreign and international donors to demonstrate that local government is prepared to move forward with reform and to solicit their support in carrying out the program. To be included are items like defining other laws that need to be changed to harmonize with the new local self-government law.
2. ZELS to initiate actions that implement a policy-making process generally defined by the working groups of the Workshop, including the commission and committee structure and task forces the were suggested.
3. ZELS create a commission or working group to move forward with the development and execution of a Cooperation Agreement with the Government of Macedonia, all in consultation with the appropriate offices and ministries of the Government. The aim being to formalize a working relationship with the Government on matters affecting local governance.
4. ZELS create a task force, or working group, of members and experts to prepare a statement of principles and even draft legislation of a law for Local Government Finance.

OBSERVATIONS AND RECOMMENDATIONS FOR FOLLOW-UP ACTIONS:

Observations: Towards the end of the workshop, some ZELS leaders observed that several of them had been in seminars, or workshops for some six straight days before this workshop. The intense participation of the leaders in this workshop was all the more remarkable when set against their earlier, continuous activity, the range of issues facing local governments and the country and their extended absence from their municipalities and homes. Weary though they were, the ZELS leadership evidenced a seldom seen commitment to making an association-their association-work.

In large part, I believe, this dedication reflects on the ZELS leadership's commitment to change local government and its environment. The remarkable growth in ZELS and its leadership in no small way are a clear achievement of the DAI team and that of the ZELS staff. I was deeply impressed. The workshop, as I said at its conclusion, was one of the most productive in which I have had the pleasure to be involved.

As compared to last year, ZELS certainly has benefited from the growth of its leadership, both in numbers and in confidence that they can and will make the association into local government's voice in Macedonia and the provider of services to improve the functioning of local government.

The DAI staff did a most commendable job in preparing the workshop, the materials, the venue, and the daily logistics, including response to changes in the program dictated by the course participant actions. Similarly, the technical support provided during the workshop, especially the translation was most competently performed, even when called upon to translate obscure American sayings.

I would observe, however, that some effort must be focused on the development of closer working relations between the DAI and ZELS staff. On several occasions it was noted that the two staffs did not share their perspectives on the workshop nor the timely feedback of information from the participants about their views of the sessions/program. Bridging such gaps requires constant attention lest unintentional mishaps in communication lead to ruptures in the steady progress of ZELS.

Recommendations: These recommendations are compiled from the workshop products themselves and from the processes of the workshop. The recommendations are intended to assist in the further maturation and competence of ZELS.

- Based on the comments of the participants concerning the uninterrupted sequence of seminar/workshop/meetings that took place over the 6 days before this workshop and then the workshop itself, it is recommended that ZELS, working with DAI and other donors, more evenly space activities so as to maximize benefit to the organization and respect the demands faced by the leadership on their time.

- DAI provide several specific support initiatives to ZELS as follow-up to this workshop and in keeping with its ongoing program of support:
 - Assist ZELS to review and update its accounting system, financial reports and controls so as to be fully in keeping with Macedonian law and international practices, including appropriate policies regarding external audits. If ZELS is to maintain access to the donor world, it must maintain modern accounting, reporting and controls over its financial activities. Each of these areas need to be carefully reviewed and appropriate policies and practices adopted by ZELS that insure conformance to international practices of recording keeping and transparency.
 - Provide expert advice and technical support to the association's policy-making process that enables ZELS to analyze, document and advocate sound, experience-based reforms of legislation affecting local government.
 - Provide financial support to ZELS for staff capacity and competence to serve its proposed commission and committee structure and to assist those bodies, the officers, the Standing Committee and General Assembly fulfill ZELS "representation" function. As further comment on this recommendation, I would observe that DAI may well have on it present staff, persons fully able to provide staff service to the commissions and committees of the association. This task, of course, should come under the direction of the Executive Secretary, but the effective delivery on the workload for such coordination and service requires staff dedicated to this function.
 - As ZELS commission and committee activity increases and, indeed, as the association broadens its effort to train local officials in sound practices and innovations in municipal functions, as it addresses the need to expand public understanding of the role local government must play in a democracy, many more conferences, policy forums, workshops, seminars and training programs will be held. DAI, as it has in the past, may continue to give support to these efforts while offering practical suggestions on how such events can/must eventually be funded by ZELS, either through its general fund or fees levied for participation.
 - ZELS will need assistance in the development of a plan for the gradual expansion and delivery of services arising from member demand. ZELS annual budget process and updating its Strategic and Financial Plans should become regular opportunities for the association to examine its program and performance particularly the services it provides to the members. ZELS should routinely ask for member evaluation of specific activities and periodically seek their assessment of ZELS overall performance, its range of services and solicit their views on current needs and priorities for services.